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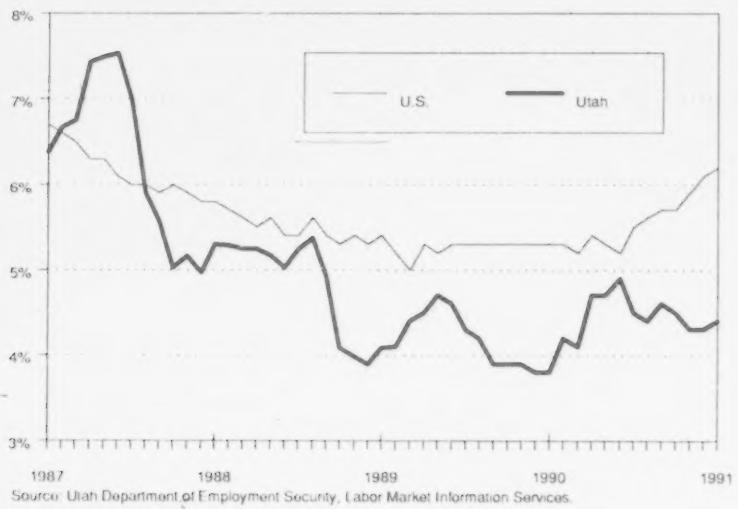
Utah Labor Market Report

January 1991
Volume 1, No. 1

Seasonally Adjusted Unemployment Rates



Source: Utah Department of Employment Security, Labor Market Information Services.

Utah's economy starts to feel the winds of national recession— But isn't swept away

The Utah layoffs have started—at least they've been announced. Will they prove a staggering blow to the Utah economy? Probably not.

The State's economy remains strong in many areas, and leading indicators point to a short/mild national recession. Utah's jobless rate did rise last month. However, unemployment rates typically show minor fluctuations which may or may not reflect a turning point. Of course, many of the announced layoffs have not yet occurred and, therefore, did not impact the jobless rate. Still, given Utah's strong job growth, the State should weather this economic storm nicely.

Approximately 35,000 Utahns were out of work in January—1,600 more than last year. In addition, Utah's current unemployment rate registers somewhat higher than the January 1990 figure of 4.1 percent. Nevertheless, Utah's unemployment rate stands almost 2 percent points below the U.S. average of 6.2 percent. In fact, the current rate of unemployment is low enough to preclude economic distress, but high enough to provide workers for newly created jobs.

Of course, layoffs in manufacturing, government and air transportation are distressing to the individuals involved. However, given the national recession, they are hardly unexpected and don't represent a kiss of death for Utah's economic health. Other industries are creating jobs at a sufficient rate to keep Utah's employment expansion well in the black. While the nation is losing more than 200,000 jobs a month, Utah has created 29,000 new positions over the past twelve months. The service industry pumped out 12,000 new jobs between January 1990 and January 1991 for an expansion rate of

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THE RATE *(Seasonally Adjusted)*

Jan1991	Utah	4.4%	U.S.	6.2%
Dec 1990	Utah	4.3%	U.S.	6.1%
Jan 1990	Utah	4.1%	U.S.	5.3%

NONFARM JOBS *(% Change from a year ago)*

Jan 1991	Utah	4.2%	U.S.	0.2%

CPI-U *(Base Year 1982-84 = 100)*

Dec 1990	U.S.	133.8	Yr-over chng	6.1%

PPI *(Base Year 1982-84 = 100)*

Dec 1990	U.S.	118.6	Yr-over chng	5.0%

7 percent. Computer services (which include software companies) remained the hottest Utah industry—employment is up 23 percent and 1,700 jobs.

This month, the construction industry topped the service industry for the highest year-to-year employment growth rate. Construction's 8 percent expansion produced 1,900 new Utah jobs.

Growth in the trade sector remained moderate, although lower than its performance in 1990. Combined, wholesale and retail trade added 5,300 new positions to Utah's economy over the past year for an increase of 3 percent. Expansion in wholesale trade has slowed to a near standstill—less than 1 percent—while retail trade registered a substantial 4 percent gain.

The transportation/communication/utilities sector registered a healthy 4 percent expansion. While some divisions proved lethargic, others expanded. For example, air transportation jobs are up 10 percent. However, figures do not reflect Eastern Airlines layoffs which should cause job gains to evaporate.

Manufacturing jobs are still growing at a remarkable 4 percent rate. Since January 1989, Utah's manufacturing sector has netted 4,200 new jobs. Instead of seeing the recessionary demise of Utah's manufacturing employment, this sector is actually improving. However, employment in the manufacture of electrical machinery and fabricated metal products is down, and layoffs will keep growth down in upcoming months.

Mining employment is up almost 4 percent (or 300 jobs) in comparison with last year. With growth rates of about 2 percent, government and finance/insurance/real estate industries proved the slow growers again this month. The public sector's performance was hampered by employment losses in federal defense employment. Desert Storm may temporarily mitigate losses (the "depots" have hired a number of temporaries). However, declines will continue as defense budget cuts kick in.

Utah's first real taste of the U.S. recession has not yet caused serious damage to the economy. Growth will continue to slow, but should remain moderate. ❐

Lecia Parks Langston
Chief Economist

- *Utah's unemployment rate edged up one-tenth of a percentage point to 4.4 percent.*
- *While the nation is losing more than 200,000 jobs a month, Utah has created 29,000 new positions over the past twelve months.*
- *Utah's jobless rate stands almost 2 percent points below the U.S. average of 6.2 percent.*
- *This month, the construction industry topped the service industry for the highest year-to-year employment growth rate. Construction's 8 percent expansion produced 1,900 new jobs. Still, Services accounted for 40 percent of new jobs.*

RAW

Table 1. Utah Civilian Labor Force and Nonagricultural Jobs, Not Seasonally Adjusted *(Numbers In Thousands)*

	Jan 1991(f)	Jan 1990	Percent Change	Dec 1990(p)	Nov 1990(r)
CIVILIAN LABOR FORCE	**786.3**	**792.5**	**-0.8**	**807.9**	**809.0**
Employed	**750.1**	**758.0**	**-1.0**	**777.1**	**778.7**
Unemployed	**36.2**	**34.5**	**4.9**	**30.8**	**30.7**
Percent of Labor Force	4.6	4.4	--	3.8	3.8
NONAGRICULTURAL JOBS	**727.1**	**698.1**	**4.2**	**747.5**	**744.7**
Mining	**8.6**	**8.3**	**3.6**	**8.7**	**8.7**
Metal Mining	3.1	3.0	3.3	3.1	3.1
Bituminous Coal Mining	2.5	2.5	0.0	2.5	2.5
Oil/Gas Extraction & Quarrying*	3.0	2.8	7.1	3.1	3.1
Contract Construction	**24.9**	**23.0**	**8.3**	**28.1**	**29.4**
Manufacturing	**108.5**	**104.3**	**4.0**	**109.2**	**109.1**
Durable Goods	71.8	69.2	3.8	72.1	71.8
Primary Metals	*5.9*	*5.7*	*3.5*	*6.0*	*6.0*
*Fabricated Metals, Machinery, & Computers**	*13.4*	*13.6*	*-1.5*	*13.9*	*14.1*
*Electrical/Electric Equipment (ex. Computers)**	*11.6*	*11.7*	*-0.9*	*11.8*	*11.6*
Transportation Equipment	*18.2*	*17.6*	*3.4*	*18.0*	*17.8*
Lumber/Furniture,Stone/Clay/Glass	*10.3*	*9.6*	*7.3*	*10.6*	*10.8*
*Other Durable Goods**	*12.4*	*11.0*	*12.7*	*11.7*	*11.5*
Nondurable Goods	36.7	35.2	4.3	37.2	37.3
Food & Related Products	*11.8*	*11.4*	*3.5*	*12.4*	*12.5*
Other Nondurable Goods	*24.9*	*23.8*	*4.6*	*24.8*	*24.8*
Transportation, Communications, & Utilities	**42.9**	**41.3**	**3.9**	**44.0**	**43.2**
Railroad Transportation	2.3	2.3	0.0	2.4	2.4
Trucking & Warehousing	15.5	14.5	6.9	16.5	15.8
Transportation by Air	7.5	6.8	10.3	7.4	7.4
Other Transportation & Related Services	3.1	3.2	-3.1	3.1	3.1
Communications	7.2	7.0	2.9	7.2	7.1
Electric, Gas, & Sanitary Services	7.3	7.5	-2.7	7.4	7.4
Trade	**170.3**	**165.0**	**3.2**	**183.7**	**181.3**
Wholesale Trade	36.9	36.6	0.8	39.6	39.6
Durable Goods	*21.4*	*21.9*	*-2.3*	*23.3*	*23.4*
Nondurable Goods	*15.4*	*14.7*	*4.8*	*16.3*	*16.2*
Retail Trade	133.4	128.4	3.9	144.1	141.7
Food Stores	*24.2*	*23.7*	*2.1*	*25.3*	*25.0*
Auto Dealers/Parts Stores, & Gas Stations	*15.8*	*15.2*	*3.9*	*16.3*	*16.3*
Eating & Drinking Places	*43.0*	*40.2*	*7.0*	*45.4*	*44.4*
Home Furniture/Equipment & Clothing Stores	*11.7*	*11.2*	*4.5*	*12.7*	*12.2*
Gen. Merchandise/Building & Garden Supply	*21.3*	*21.7*	*-1.8*	*24.6*	*24.5*
*Miscellaneous Retail**	*17.4*	*16.3*	*6.7*	*19.8*	*19.3*
Finance, Insurance, & Real Estate	**34.0**	**33.4**	**1.8**	**34.5**	**34.4**
Depository Institutions	13.1	13.0	0.8	13.4	13.5
Other Finance/Insurance/Real Estate	20.9	20.4	2.5	21.1	20.9
Services	**184.9**	**172.9**	**6.9**	**187.1**	**186.1**
Hotels & Lodging Places	13.4	12.0	11.7	13.2	12.4
Personal, Amusement & Recreational	17.3	16.6	4.2	17.8	17.1
Computer-Related	9.1	7.4	23.0	8.6	8.5
Other Business Services	29.5	27.6	6.9	30.1	30.1
Auto Repair/Rental/Parking	7.1	6.6	7.6	6.9	6.9
Health	47.1	44.1	6.8	47.5	47.3
Education/Social & Membership Organiz.	37.1	36.2	2.5	38.3	38.7
Legal & Miscellaneous Services	4.8	4.7	2.1	4.8	4.8
Engineering, Accounting, & Related	14.9	13.0	14.6	14.9	14.6
Other Repair/Ag. Services & Museums, etc.*	4.6	4.6	0.0	5.4	5.7
Government	**153.0**	**149.9**	**2.1**	**151.7**	**152.5**
Federal Government	38.2	39.7	-3.8	37.9	37.7
U.S. Defense	*20.0*	*21.8*	*-8.3*	*20.0*	*20.0*
Other Federal	*18.2*	*17.9*	*1.7*	*17.9*	*17.7*
State Government	43.4	41.9	3.6	42.1	42.9
State Education	*23.7*	*23.4*	*1.3*	*22.6*	*23.7*
Other State	*19.7*	*18.5*	*6.5*	*19.5*	*19.2*
Local Government	71.4	68.3	4.5	71.7	71.9
Public School Districts	*47.2*	*45.2*	*4.4*	*47.5*	*47.6*
Other Local	*24.2*	*23.1*	*4.8*	*24.2*	*24.3*

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics (BLS). NOTE: Forecast data and cells marked by an asterisk (*) are not sanctioned by BLS.

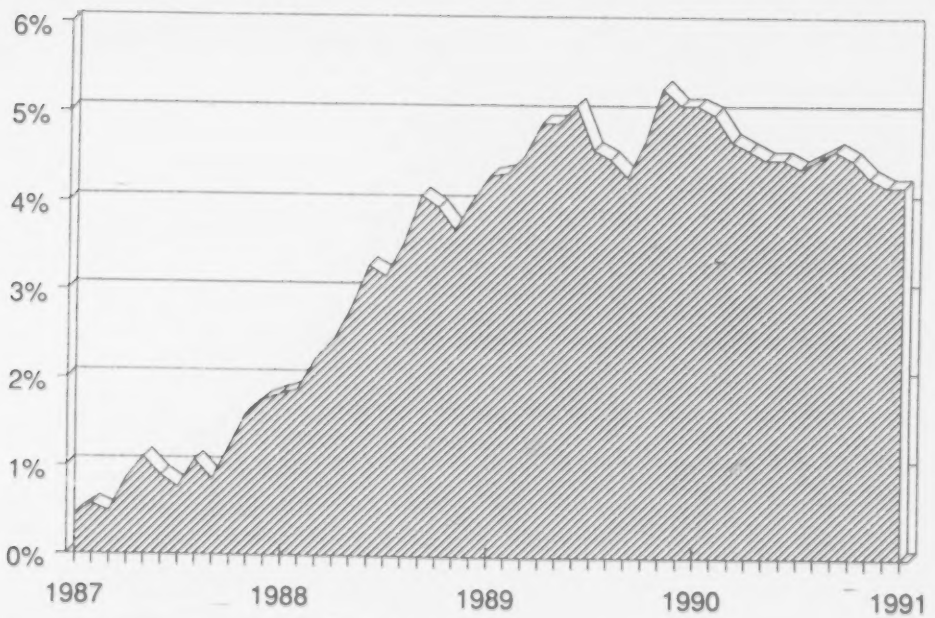
ADJUSTED

Table 2. Utah Civilian Labor Force and Nonagricultural Jobs Seasonally Adjusted *(Numbers In Thousands)*

	Jan 1991(r)	Jan 1990	Percent Change	Dec 1990(p)	Nov 1990(r)
CIVILIAN LABOR FORCE	802.9	809.4	-0.8	798.7	802.6
Employed	767.9	776.0	-1.0	764.3	768.0
Unemployed	35.0	33.4	4.8	34.4	34.6
Percent of Labor Force	4.4	4.1	---	4.3	4.3
NONAGRICULTURAL JOBS	736.8	707.4	4.2	738.6	735.8
Mining	8.4	8.1	3.6	8.3	8.4
Contract Construction	29.3	27.1	8.3	28.7	28.1
Manufacturing	110.4	106.2	3.9	109.1	108.2
Durable Goods	72.8	70.1	3.8	72.3	71.6
Nondurable Goods	37.6	36.0	4.3	36.8	36.6
Trans., Comm., Public Utilities	43.6	42.0	3.9	43.6	43.0
Trade	172.8	167.4	3.2	176.7	177.0
Wholesale	37.4	37.1	0.8	39.3	39.5
Retail	135.4	130.3	3.9	137.3	137.4
Finance, Insurance & Real Estate	34.3	33.7	1.8	34.5	34.5
Services	185.4	173.4	6.9	186.8	186.1
Government	152.7	149.9	2.0	150.8	150.6
Federal Government	38.7	40.2	-3.8	38.5	38.4
State Government	42.6	41.4	3.6	41.5	41.4
Local Government	71.4	68.3	4.5	70.8	70.8

Source: Utah Department of Employment Security, Labor Market Information Services

Year-Over Percent Change in Utah Nonfarm Jobs



Source: Utah Department of Employment Security, Labor Market Information Services.

Economic Events

Please note: Information contained in Economic Events is obtained from regional newspapers, local job service offices, trade publications, clipping services, and local area chamber of commerce publications.

- Western Dairymens Cooperative announced the March closing of its 138-employee milk processing plant in Ogden.

- Construction on the Kern River Gas Transmission Company's interstate natural gas pipeline began in January. During the construction of the 904-mile pipeline, as many as 500 construction workers could be employed. Once construction is completed, the company will permanently employ approximately 75 individuals.

- Zero Corporation, one of the nation's leading electronics industry suppliers, formally announced plans to locate in North Salt Lake's industrial park. Initial reports indicate that the company could employ as many as 500 people when in full production.

- Hercules Aerospace Company announced plans to lay off an additional 55 workers at its Bacchus Works. This will bring the total number of plant layoffs to 287.

- The demise of Eastern Airlines meant the closure of the company's largest reservation center (in Salt Lake City) and the loss of 750 Utah jobs.

- Unisys announced that 100 jobs at the company's Salt Lake operations will be eliminated over the next few months.

- Rockwell International announced that its Collins Avionics and Communications Division at the Salt Lake International Center will close at the end of September. The shutdown will result in the termination of 430 individuals

- Jetway Systems Incorporated let go 115 factory and production workers because of slack demand.

- Flameco, a company specializing in the production of advanced precision fabrication and assemblies for jet aircraft engines and airframes, was awarded a $21 million military contract which could mean the addition of 100 employees.

- As a result of increased workload in support of Operation Desert Storm, the Department of the Army authorized the hiring of approximately 240 temporary employees at Tooele Army Depot.

- Smith's Food and Drug Centers, Incorporated, opened its new $14 million ice-cream plant in Layton. The new 56,00 square foot plant has the capacity to produce 16 million gallons of ice cream per year.

- Geneva Steel announced the layoff of approximately 100 employees effective in February 1991.

Most of Utah's counties continue to escape the recession

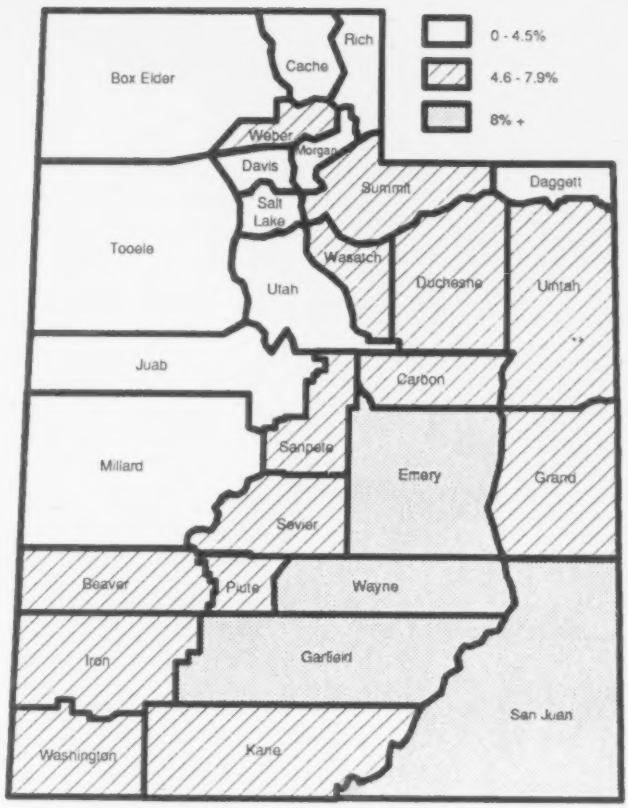
Most of Utah's counties continue to participate in the economic "good times" reflected in the state total data. For example, only San Juan and Wayne counties experienced January 1990 - January 1991 nonfarm employment increases of less than two percent. In contrast, the U.S. job growth was "zero."

Interestingly, job growth in all five planning districts south of the Wasatch Front exceeded the state average, while the three northern districts had somewhat slower (but still very respectable) job growth.

Unemployment rates throughout the state also indicate that the pending recession is yet far from Utah. Only one of Utah's eight planning districts—Southeastern—has unemployment higher than the U.S. average. Nevertheless, the recession is very real for San Juan County, which is suffering from recent large layoffs in mining and related activities.

Piute, Garfield, and San Juan counties experienced unemployment rates above 10 percent. Davis, Utah, Daggett and Rich counties had unemployment rates below 4 percent.

The economic boom is lingering in a few areas, as indicated by rapid employment growth and low unemployment. Leading this list are Utah County, with its widespread expansion, and Davis County. Nonmetropolitan counties worthy of mention in this regard are Washington, Iron, Millard, and Uintah, which is finally pulling out of its nine-year slump.



Unemployment Rates by County January 1991

- ***Only two counties experienced negative job growth over the past 12 months.***
- ***Southern counties tended to show higher job growth than nothern counties.***
- ***Only nine counties registered unemployment rates above the national average.***
- ***Piute, Garfield and San Juan counties experienced unemployment rates above 10 percent.***
- ***Davis, Utah, Daggett and Rich counties had unemployment rates below 4 percent.***

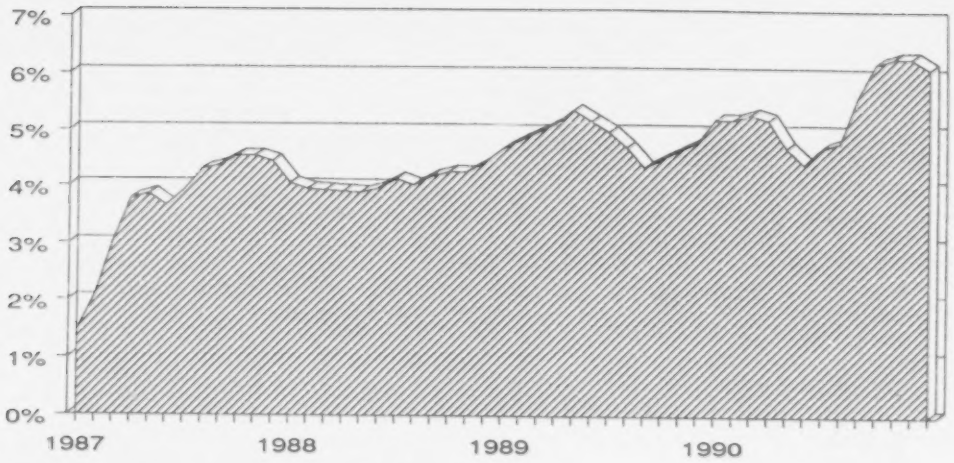
By County

Table 5. Unemployment Rates and Nonfarm Jobs in Utah by County

	Seasonally Adjusted Unemployment Rate				Nonfarm Wage and Salary Jobs				
	Jan 1991(f)	Jan 1990	Dec 1990(p)	Nov 1990(r)	Jan 1991(f)	Jan 1990	Percent Change	Dec 1990(p)	Nov 1990(r)
STATE TOTAL	**4.4**	**4.1**	**4.3**	**4.3**	**727,100**	**698,170**	**4.2**	**747,100**	**744,700**
Bear River	**4.2**	**3.9**	**4.1**	**3.3**	**44,630**	**43,350**	**3.0**	**45,410**	**45,700**
Box Elder	4.4	4.4	4.4	3.8	15,270	14,850	2.8	15,510	15,460
Cache	4.2	3.6	3.9	3.2	29,040	28,200	3.0	29,580	29,910
Rich	1.4	2.9	2.3	1.1	320	300	6.7	320	330
Wasatch Front	**4.1**	**3.9**	**4.2**	**4.2**	**507,670**	**488,930**	**3.8**	**520,640**	**517,530**
Wasatch Front North	**4.1**	**4.1**	**5.2**	**5.1**	**127,120**	**122,520**	**3.8**	**128,150**	**127,820**
Davis	3.6	3.5	4.4	4.5	59,350	56,740	4.6	60,610	60,750
Morgan	5.4	7.9	6.4	5.0	990	950	4.2	1,000	980
Weber	4.7	4.8	6.0	5.7	66,780	64,830	3.0	66,540	66,090
Wasatch Front South	**4.1**	**3.8**	**3.7**	**3.8**	**380,550**	**366,410**	**3.9**	**382,490**	**389,710**
Salt Lake	4.1	3.8	3.7	3.7	369,850	356,060	3.9	381,570	378,700
Tooele	4.3	4.5	5.3	5.1	10,700	10,350	3.4	10,920	11,010
Mountainland	**3.9**	**3.5**	**3.8**	**4.9**	**106,330**	**101,040**	**5.2**	**110,100**	**110,150**
Summit	6.2	5.4	5.0	5.6	10,120	9,840	2.8	9,690	8,190
Utah	3.6	3.2	3.6	4.7	93,740	88,860	5.5	97,870	99,410
Wasatch	6.2	6.6	7.3	7.5	2,470	2,340	5.6	2,540	2,550
Central	**5.9**	**6.3**	**7.2**	**6.6**	**14,590**	**13,900**	**5.0**	**15,610**	**15,540**
Juab	4.2	5.5	4.9	6.8	1,720	1,650	4.2	1,740	1,650
Millard	4.4	4.2	4.6	4.5	3,440	3,250	5.8	3,520	3,500
Piute	14.6	11.5	11.8	8.8	180	170	5.9	180	190
Sanpete	7.8	8.9	10.7	8.9	3,960	3,640	8.8	4,630	4,710
Sevier	4.8	5.2	5.5	5.9	4,840	4,730	2.3	5,020	4,980
Wayne	9.9	8.2	9.6	7.1	450	460	-2.2	520	510
Southwestern	**6.0**	**4.8**	**5.2**	**4.2**	**26,380**	**24,560**	**7.4**	**27,010**	**27,270**
Beaver	5.4	4.1	4.2	5.2	1,240	1,210	2.5	1,270	1,270
Garfield	11.9	7.2	10.4	9.2	1,140	1,100	3.6	1,320	1,360
Iron	5.6	5.0	5.4	4.1	7,790	7,340	6.1	7,890	7,810
Kane	7.4	5.8	5.8	4.6	1,390	1,310	6.1	1,490	1,570
Washington	5.6	4.5	4.8	3.7	14,820	13,600	9.0	15,040	15,260
Uintah Basin	**5.8**	**6.4**	**6.8**	**6.5**	**10,650**	**10,180**	**4.6**	**11,020**	**10,960**
Daggett	3.9	1.0	1.9	1.4	260	250	4.0	270	280
Duchesne	6.9	7.9	8.7	8.1	3,720	3,580	3.9	3,900	3,900
Uintah	5.2	6.0	6.0	5.8	6,670	6,350	5.0	6,850	6,780
Southeastern	**7.7**	**7.6**	**8.0**	**7.3**	**16,890**	**16,210**	**4.2**	**17,330**	**17,580**
Carbon	5.9	7.3	6.2	6.0	7,730	7,460	3.6	7,940	7,890
Emery	8.2	8.6	9.7	8.8	3,630	3,520	3.1	3,670	3,780
Grand	7.4	7.0	7.5	7.3	2,250	1,990	13.1	2,360	2,460
San Juan	11.0	7.7	10.4	8.8	3,280	3,240	1.2	3,360	3,450
Salt Lake/Ogden MSA	**4.1**	**4.1**	**5.9**	**5.7**	**496,100**	**477,400**	**3.9**	**508,800**	**505,400**
Provo/Orem MSA	**3.6**	**3.2**	**3.6**	**4.7**	**93,740**	**88,860**	**5.5**	**97,870**	**99,410**

Source: Utah Department of Employment Security, Labor Market Information Services.

Year-over Percent Increase in U.S. Consumer Price Index



Source: U.S. Department of Labor, Bureau of Labor Statistics.

PRICES

Table 3. Current U.S. Price Indices

	INDEX		Percent
	Dec 1990	Dec 1989	Change
CONSUMER PRICES (1982-84=100)			
ALL ITEMS (CPI-U[1])	**133.8**	**126.1**	**6.1**
Food and Beverages	133.9	127.2	5.3
Food at Home	133.8	126.5	5.8
Housing	130.5	124.9	4.5
Rent Residential	141.1	135.5	4.1
Fuel and Other Utilities	112.7	108.4	4.0
Medical Care	169.2	154.4	9.6
Apparel and Upkeep	125.3	119.2	5.1
Transportation	127.2	115.2	10.4
Gasoline	117.0	85.5	36.8
Energy[3]	110.1	93.2	18.1
PURCHASING POWER OF CONSUMER DOLLAR: (1982-84 = $1.00)	**$0.80**	**$0.79**	**-5.8**
ALL ITEMS (CPI-W[2])	**132.2**	**124.6**	**6.1**
PRODUCER PRICES (1982 = 100)			
ALL COMODITIES	**118.6**	**113.0**	**5.0**
Finished Goods	121.9	115.4	5.6
Intermediate Materials	116.7	111.9	4.3
Crude Materials	110.5	104.2	6.0

1 Consumer Price Index—All Urban Consumers.

2 Consumer Price Index—Urban Wage Earners and Clerical Workers.

3 Energy is a special group index consisting of prices paid for the following: fuel oil, coal, bottled gas, electricity, gasoline, and motor oil and coolant. It is not one of the components of the "All Items" as its subcomponents are already included.

Source: U. S. Department of Labor, Bureau of Labor Statisitcs.

Job Service

Table 7. Employment Security Activities in Utah

	Jan 1991(p)	Jan 1990	Percent Change	Dec 1990
Nonfarm Jobs Available	17,368	18,379	-5.5	18,674
New Applications for Jobs	10,014	10,201	-1.8	6,689
Total Nonfarm Job Placements	4,896	6,522	-24.9	5,683
Initial Claims	1,932	1,470	31.4	1,678
Weeks Claimed	13,775	11,078	24.3	10,647
Insured Unemployment Rate	2.0	1.7	-.-	1.5
Reserve Fund Balance	$8,962,934	$7,100,823	26.2	$4,996,671

Note: All claims data include Regular UI, UCFE, and UCX claims only.

Source: Utah Department of Employment Security, Labor Market Information Services.

New Data, New Publications

The following data and/or publications are now available:

- ☐ ***The World of Job Service, Data Analysis, 1989.*** **An annual report of Employment Service and Unemployment Insurance activities.**
- ☐ ***1990 Utah State Compensation Survey Summary Report of Salaries and Fringe Benefits.***
- ☐ **Economic and Demographic Characteristics of St. George and Washington County.**

If you are interested in receiving copies, please check the desired items and fill in your name and address.

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Mail to: Labor Market Information Services, Utah Department of Employment Security, P.O. Box 11249, Salt Lake City, UT, 84147-0249.

Hours and Earnings

Table 6. Hours and Earnings of Production Workers in Utah

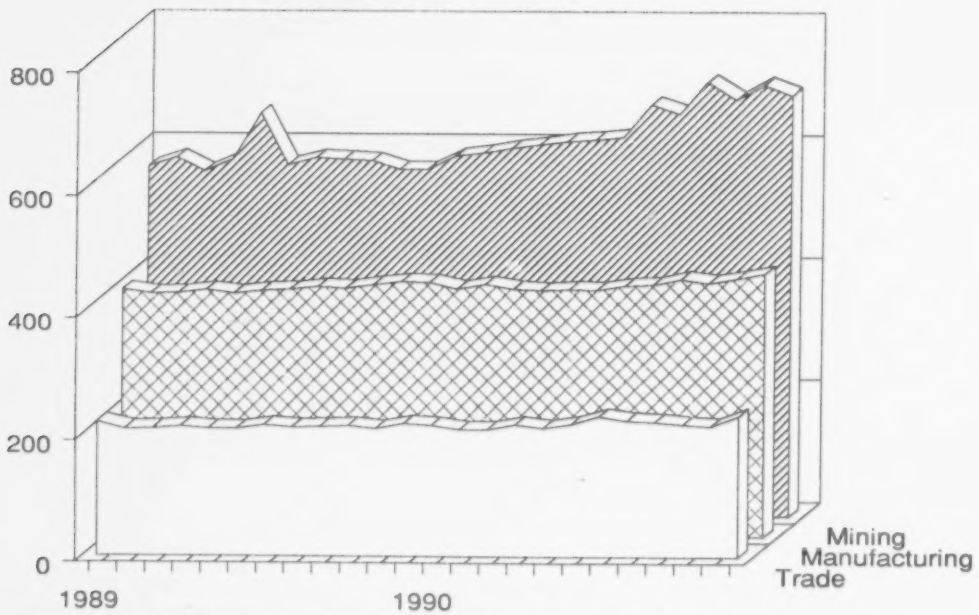
(Numbers in Thousands)

	Average Weekly Earnings				Average Weekly Hours			
	Dec 1990	Dec 1989	% Chng	Nov 1990(r)	Dec 1990(p)	Dec 1989	% Chng	Nov 1990(r)
MINING	**687.09**	**584.81**	**17.5%**	**703.95**	**44.3**	**41.3**	**7.3%**	**45.8**
Metal Mining	621.99	545.24	14.1	635.70	45.5	43.9	3.6	46.3
Bituminous Coal Mining	775.57	672.47	15.3	844.48	41.9	38.1	10.0	44.8
MANUFACTURING	**432.28**	**415.55**	**4.0**	**423.96**	**40.4**	**40.7**	**1.7**	**40.3**
Durable Goods	449.08	430.56	4.3	437.40	40.9	41.6	-1.7	40.5
Primary Metals	591.93	520.41	13.7	557.59	42.1	41.5	1.4	40.7
Fabricated Metal Prod. and Mach.	420.62	409.45	2.7	411.43	40.6	41.4	-1.9	40.1
Transportation Equipment	544.80	543.82	0.1	533.73	42.2	41.8	1.0	41.6
Nondurable Goods	399.91	389.65	2.6	397.40	39.4	39.2	0.5	39.9
Food and Kindred Products	361.78	355.68	1.7	362.30	39.8	39.0	2.1	40.8
TRADE	**231.77**	**217.54**	**6.5**	**217.55**	**30.1**	**29.8**	**1.0**	**28.7**
Wholesale	390.25	360.64	8.2	376.73	38.6	36.1	6.9	37.3
Retail	190.84	179.00	6.6	176.76	27.9	28.1	-0.7	26.5
Food Stores	165.91	147.47	12.5	167.50	25.1	26.1	-3.8	25.0
Other Retail	185.75	190.32	-2.4	167.20	30.5	30.5	0.0	27.5

Note: Average hours include hours actually worked or remunerated. Average hourly and weekly earnings include incentive and premium pay. Data may be affected by labor disputes.

Source: Utah Department of Employment Security, Labor Market Information Services. Prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics.

Average Weekly Wage for Selected Industries



Source: Utah Department of Employment Security, Labor Market Information Services

BUYING POWER INDEX

***Many consider Utah a "low wage" state—
But the cost of living here also tends to be lower.
Just how much "buying power" do Utahns
really have?***

Editor's Note: In January 1990, we introduced the ***Buying Power Index****. For more information about this index, please consult the January 1990 edition of the* ***Utah Labor Market Report****.*

Salt Lake Sees Improved Buying Power

The 1989 buying power of workers in the Salt Lake City area is slightly above the national average, a small improvement over 1988's position. According to the second annual calculation of buying power index (BPI) figures for metropolitan areas throughout the United States, Salt Lake City's 1989 BPI was 102.6, slightly higher than the 99.7 of 1988. (The U.S. average is set at 100.) Provo-Orem's BPI showed similar improvement - from 94.6 in 1988 to 97.7 in 1989.

How the Index is Calculated

This index was prepared by the Utah Department of Employment Security from 1989 average annual pay data published by the U.S. Bureau of Labor Statistics and from 1989 metropolitan area cost of living comparisons compiled by the American Chamber of Commerce Researchers Association (ACCRA). The *ACCRA Cost of Living Index* measures relative price levels for consumer goods and services in participating areas each quarter. It reflects cost differentials for a mid-management standard of living.

There were 197 metropolitan areas for which at least one quarter of 1989 ACCRA data were published. These are the areas for which a BPI was calculated. In the calculation of an area's BPI, annual pay is divided by the annual average cost of living to produce "real" annual pay, which is then indexed by dividing by the 197-area average real pay. Thus, the higher the index, the greater the buying power.

Buying Power Versus Cost of Living

Although Salt Lake City's average annual pay was slightly lower (3 percent) than the average for all areas in the study, the buying power of its workers exceeded the national average because Salt Lake's cost of living registered somewhat (6 percent) below the average. Along the same line, Provo-Orem's workers enjoyed a substantially (12 percent) lower cost of living, but

- ***The 1989 buying power of workers in the Salt Lake City area is slightly above the national average.***
- ***Salt Lake City's 1989 BPI was 102.6, slightly higher than the 99.7 of 1988.***
- ***Provo-Orem's BPI showed similar improvement - from 94.6 in 1988 to 97.7 in 1989.***
- ***BPI's for Cedar City (79.1) and St. George (75.7) fall near the bottom of the metropolitan area BPI list.***

Continued on page 12

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they faced lower buying power because their average annual pay measured only 86 percent of average.

Utah's Nonmetro Areas

Two of Utah's nonmetropolitan cities, Cedar City and St. George, also have ACCRA index levels: Using Employment Security average wage data for their respective counties (which is closely equivalent to BLS data for metropolitan areas), a BPI can be calculated for each of these areas. It is probably not surprising to residents of these cities that their BPI's - 79.1 for Cedar City and 75.7 for St. George - would fall near the bottom of the metropolitan area BPI list. As shown in Table A, cost of living in both of these areas is low, but that doesn't compensate for their very low average annual wage.

Comparisons With Other Western Cities

Compared to cities in neighboring western states, Salt Lake's BPI ranks near the middle of the list. Denver's 115.4 ranked highest of this group and twelfth in the country. Like Salt Lake, Boise and Casper both had moderately low cost-of-living and near-average wages; their BPI's were 106.3 and 105.4 respectively. In contrast, the high cost of living in both Los Angeles and San Francisco was closely matched by their high wages, thus the resulting BPI's, at 103.2 and 97.0 respectively, were near average. On the other hand, San

Table A. 1989 Buying Power Index For Selected Metropolitan Areas

	1989 ACCRA Average	Average Annual Pay		Buying Power Index
		Actual	Adjusted for COL	
Salt Lake City	**95.5**	**$20,014**	**$20,968**	**102.6**
Provo-Orem	**88.9**	**17,736**	**19,951**	**97.6**
Anderson, IN	95.3	24,908	26,136	127.9
Denver	102.4	24,169	23,597	115.4
Boise	95.4	20,723	21,730	106.3
Casper	92.3	19,877	21,541	105.4
Phoenix	102.9	21,954	21,346	104.4
Los Angeles	126.7	26,716	21,086	103.2
Reno	102.2	21,226	20,779	101.7
Las Vegas	103.5	21,172	20,466	100.1
Albuquerque	101.6	20,250	19,941	97.6
San Francisco	144.5	28,644	19,823	97.0
San Diego	128.5	22,956	17,868	87.4
Santa Fe	109.9	18,365	16,718	81.8
Cedar City, UT*	89.1	14,406	16,168	79.1
St. George, UT*	92.5	14,316	15,477	75.7
McAllen, TX	96.2	13,785	14,330	70.1
197-Area Avg.	**101.0**	**20,628**	**20,442**	**100.0**

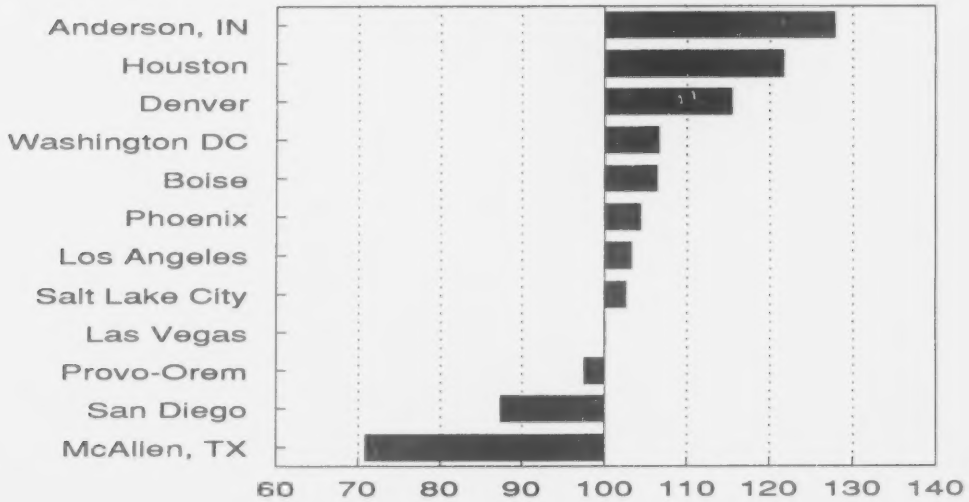
* Not metropolitan areas.

Source: Utah Department of Employment Security, Labor Market Information Services.

Continued on page 13

Continued from page 12

Figure 1. Buying Power Index Selected Metro Areas



Diego's high living costs were not compensated for by high wages; its BPI was therefore only 87.4. Even worse, Santa Fe had high living costs and low wages. Its BPI was only 81.8, the eighth lowest in the country.

Highs And Lows In The United States

The highest BPI in the United States was achieved by Anderson, Indiana. Its cost of living was slightly less than average, but its average pay registered 21 percent higher than the 197-area average. As a result, Anderson's BPI calculated at 127.9. Other cities with high (above 118) buying power index levels are Houston and Dallas, Huntsville (Alabama), Anchorage, San Jose, and Minneapolis-St. Paul. The eleven Ohio cities in the study averaged 108 BPI points, and none were lower than 103.

Lowest Buying Power

On the other end of the spectrum, McAllen, Texas, with BPI of 70.1, was the lowest in the country. Six cities exhibited very low (below 80) BPI levels. Five of these, Yakima, Washington, Merced and Visalia, California, and Brownsville and McAllen, Texas, had in common low average pay and moderate living costs. In contrast, Nassau-Suffolk, New York, had high wages but very high living costs. Although represented by only one city each, Massachusetts and North Dakota seem to

- ***Compared to cities in neighboring western states, Salt Lake's BPI ranks near the middle of the list.***
- ***The highest BPI in the United States was achieved by Anderson, Indiana.***
- ***McAllen, Texas, with BPI of 70.1, was the lowest in the country.***

Continued on page 14

Table B.
ACCRA Composite Cost-of-Living Comparisons for Selected Metropolitan Areas THIRD QUARTER 1990

Component Weights: City	100% All Items	17% Groceries	22% Housing	11% Utilities	13% Trans	7% Hlth Care	30% Misc
U.S. Average	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Salt Lake City UT	Na	Na	Na	Na	Na	Na	Na
Cedar City UT (Nonmetro)	89.0	103.6	68.3	81.9	95.7	85.6	96.4
Provo-Orem UT	90.5	91.3	81.5	87.7	97.6	88.1	96.3
St George UT (Nonmetro)	91.6	99.3	82.9	64.9	102.5	98.1	97.2
Western States							
Phoenix AZ	101.9	95.8	98.5	103.5	104.7	114.4	103.3
Los Angeles CA	124.8	105.1	196.5	76.2	115.4	128.7	104.5
San Diego CA	131.2	105.8	212.6	72.9	130.0	129.8	108.0
Denver CO	101.5	95.3	101.9	99.0	107.6	118.8	98.8
Boise ID	99.3	96.5	112.2	70.4	93.3	110.1	102.1
Las Vegas NV	107.1	93.9	123.2	81.3	112.6	121.1	106.6
Albuquerque NM	101.8	97.4	108.5	91.0	100.7	110.9	101.6
Portland OR	105.7	103.1	123.3	73.2	109.6	128.2	99.5
Seattle WA	112.9	110.8	138.2	61.7	113.6	142.5	107.0
Casper WY	96.6	100.2	85.5	96.2	95.5	97.8	103.2
Other Areas							
Juneau AK (Nonmetro)	133.0	129.6	135.6	135.0	122.4	193.1	122.9
Atlanta GA	102.0	98.9	98.7	115.6	103.0	117.4	97.0
St. Louis MO	98.1	96.4	98.3	110.9	98.1	100.4	93.8
Nassau-Suffolk NY	153.7	119.8	223.4	194.9	127.9	137.7	121.6
Houston TX	100.3	105.0	85.6	93.8	118.3	103.5	102.4
**Highest City	San Diego CA 131.2	New London CT 113.6	Orange Co CA 217.7	Philadelphia PA 181.5	Merced CA 130.9	Merced CA 144.5	Bakersfield CA 123.9
**Lowest City	Loveland CO 86.3	Nashville TN 88.4	Gadsden AL 66.9	Tacoma WA 60.3	* MA 84.2	Dothan AL 81.3	St Joseph MO 88.2

*Fitchburg-Leonminster

**Does not include cities in Alaska or New York.

Source: American Chamber of Commerce Researchers Association.

Continued from page 13

have had relatively low buying power. Table C presents the 1989 BPI for each of the 197 areas included in this study.

Limitations Of These Data

The BPI is based on two indicators of buying power—*ACCRA Cost of Living Index* and BLS average annual nonfarm pay. Other economic factors, such as state and local taxes and average number of dependents per worker, also affect buying power of workers. However, because of data limitations, these other factors were not taken into consideration in this analysis. Thus, the BPI is a rough estimate of buying power. Small differences (less than three index points) between areas' BPI's are not statistically significant.❐

Kenneth E. Jensen
Labor Market Economist

TABLE C.
1989 BUYING POWER INDEX FOR METROPOLITAN AREAS

Area	BPI
197-Area Average	**100.0**
ALABAMA	
Anniston	95.9
Birmingham	106.9
Decatur	100.2
Dothan	99.3
Florence	98.2
Gadsden	106.8
Huntsville	120.2
Mobile	96.6
Montgomery	93.8
ALASKA	
Anchorage	118.7
ARIZONA	
Phoenix	104.4
Tucson	95.5
ARKANSAS	
Fayetteville	98.2
Fort Smith	96.0
Little Rock	96.8
CALIFORNIA	
Anaheim-Santa Ana	94.9
Bakersfield	93.4
Fresno	83.6
Los Angeles	103.2
Merced	77.9
Riverside	95.9
Sacramento	100.7
San Diego	87.4
San Francisco	97.0
San Jose	118.6
Ventura-Oxnard	85.8
Visalia	77.4
COLORADO	
Boulder	105.0
Colorado Springs	107.6
Denver	115.4
Fort Collins	102.6
Pueblo	100.5
CONNECTICUT	
Hartford	105.9
Meriden-New Haven	97.2
New London	87.0
DELAWARE	
Wilmington	102.6
FLORIDA	
Fort Walton Beach	83.1
Gainsville	87.6
Jacksonville	105.4
Lakeland	88.4
Miami	98.3
Orlando	99.4
Pensacola	95.7
West Palm Beach	100.3
GEORGIA	
Albany	99.6
Atlanta	110.5
Augusta	105.7
Columbus	93.2
Macon	104.2
Savannah	103.0
IDAHO	
Boise	106.3
ILLINOIS	
Champaign	92.4
Decatur	102.0
Peoria	109.3
Rockford	107.6
Schaumburg (Chicago)	104.7
Springfield	111.6
INDIANA	
Anderson	127.9
Bloomington	91.6
Evansville	106.4
Fort Wayne	110.3
Indianapolis	110.3
Lafayette	101.3
Muncie	100.3
South Bend	105.1
Terre Haute	88.9
IOWA	
Cedar Rapids	105.9
Davprt-Rock I.-Moline	110.9
Des Moines	98.2
Dubuque	96.5
Waterloo-Cedar Falls	102.3
KANSAS	
Lawrence	85.7
Wichita	112.2
KENTUCKY	
Lexington	98.0
Louisville	103.4
Owensboro	95.9
LOUISIANA	
Baton Rouge	106.0
Lake Charles	103.7
Monroe	92.1
New Orleans	105.8
Shreveport	99.2
MARYLAND	
Baltimore	106.9
Hagarstown	91.6
MASSACHUSETTS	
Springfield	90.6
MICHIGAN	
Benton Harbor	93.5
Jackson	105.5
MINNESOTA	
Minneapolis-St.Paul	118.2
Rochester	115.3
St. Cloud	89.8
MISSISSIPPI	
Biloxi-Gulfport	94.5
MISSOURI	
Columbia	97.6
Joplin	89.6
Kansas City	113.6
St Joseph	100.7
St Louis	116.7
Springfield	99.0
NEBRASKA	
Lincoln	97.4
Omaha	103.9
NEVADA	
Las Vegas	100.1
Reno	101.7

TABLE C. (Continued)
1989 BUYING POWER INDEX
FOR METROPOLITAN AREAS

Area	BPI
NEW HAMPSHIRE	
Manchester	95.3
NEW MEXICO	
Albuquerque	97.6
Las Cruces	81.8
Santa Fe	81.8
NEW YORK	
Albany	104.3
Binghamton	106.7
Buffalo	95.8
Elmira	85.6
Glens Falls	90.8
Nassau-Suffolk	78.7
Syracuse	113.7
NORTH CAROLINA	
Burlington	82.8
Charlotte	105.6
Fayetteville	87.5
Greensboro	103.9
Hickory	91.2
Raleigh	105.6
Wilmington	91.8
NORTH DAKOTA	
Fargo	90.8
OHIO	
Akron	116.3
Canton	107.9
Cincinnati	108.7
Cleveland	105.8
Columbus	102.9
Dayton	107.0
Lima	106.3
Lorain	110.6
Mansfield	103.7
Toledo	104.9
Youngstown	116.0
OKLAHOMA	
Oklahoma City	105.8
Tulsa	112.8
OREGON	
Eugene	91.0
Portland	101.7
Salem	86.6
PENNSYLVANIA	
Erie	97.8
Harrisburg	96.8
Lancaster	98.3
Philadelphia	95.4
Pittsburgh	105.7
York	100.5
SOUTH CAROLINA	
Charleston	93.8
Columbia	98.3
Florence	91.5
Greenville	100.5
SOUTH DAKOTA	
Rapid City	82.0
Sioux Falls	94.0
TENNESSEE	
Chattanooga	107.0
Jackson	95.7
Knoxville	101.4
Memphis	107.0
Nashville	103.3
TEXAS	
Abilene	90.3
Amarillo	101.6
Austin	107.4
Beaumont	106.9
Brownsville	79.8
Corpus Christi	99.1
Dallas	119.2
El Paso	86.8
Fort Worth	106.8
Houston	121.7
Killeen	92.5
Longview	99.7
Lubbock	95.0
McAllen	70.1
Midland	115.9
Odessa	106.9
San Antonio	100.5
Sherman	105.1
Texarkana	98.5
Tyler	104.7
Waco	92.0
Wichita Falls	91.6
UTAH	
Provo-Orem	97.6
Salt Lake City	102.6
VIRGINIA	
Hampton Roads-SE VA	91.8
Richmond	101.4
Roanoke	97.6
WASHINGTON	
Olympia	99.4
Richland	108.5
Seattle	104.4
Spokane	95.4
Tacoma	89.9
Yakima	75.2
WASHINGTON D.C.	106.5
WEST VIRGINIA	
Charleston	107.9
Huntington	107.0
Wheeling	96.5
WISCONSIN	
Appleton	109.6
Eau Claire	90.2
Green Bay	109.9
Janesville	106.7
Kenosha	98.2
La Crosse	95.7
Milwaukee	106.3
Wausau	96.6
WYOMING	
Casper	105.4

Source: Utah Department of Employment Security, Labor Market Information Services.

A New and Improved Newsletter

You've probably noticed by now that we've changed the format of the *Utah Labor Market Report*. We've added new features and will continue to add regular columns in upcoming months. You may also have noticed that we've streamlined our data tables. We may even have left out data that you normally use.

Now is the time to let us know if we have deleted data that is important to you. If we have, we'll either put the information back in or send the data directly to you each month. Just fill out the following form to let us know what you need.

Now is also the time to let us know if there is any additional information or articles you'd like to see in the *Utah Labor Market Report*. Use the same form to give us your input. Thanks!

Tell Us What You Think. . .

Send to: Labor Market Information Services, Utah Department of Employment Security, P.O. Box 11249, Salt Lake City, UT 84147-0249.

Name _____

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Address _____

City, State, Zip _____

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I think. . . .

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Job Service Develops An Electronic Bulletin Board To Give Clients Easier Access to Labor Market Information

The Labor Market Information Division of Job Service has developed an electronic bulletin board service for use by the public. This service will enable anyone with an office or home computer and a modem to access labor market data over regular phone lines any time of the day or night.

The idea of an electronic bulletin board grew out of the Agricultural Wage Surveys conducted by Labor Market Economists R. Dwight Norris and Mark Knold. A bulletin board service(BBS) is the most efficient way to dispense timely information on agricultural wage survey data, crop map information and publications on agricultural labor issues, like the Utah Farm Labor Report. The bulletin board will also dispense other kinds of labor market information. For instance, a student doing economic research will have comprehensive and timely economic information at their fingertips.

Currently, the bulletin board contains:

- ***Agricultural Wage Survey Data.***
- ***Affirmative Action Information.***
- ***Monthly Utah Unemployment Rate Press Release.***
- ***U.S. CPI Data.***

In addition, much of the information contained in the monthly *Utah Labor Market Report* will also be posted to the bulletin board in upcoming months as well as historical labor force and nonfarm job data series.

The board is currently in operation. **Anyone interested in accessing labor market information with a home or office computer should contact R. Dwight Norris at (801) 533-2748 (FAX 533-2466).**

Access to the board will be provided at no charge. Callers will be able to dial in on a statewide 800 telephone number; however some computer communications parameters must be followed to enable the user to access the board. Also, all users will need to register and be assigned a password and security level, depending on what kind of labor market information they wish to access.

Norris, the bulletin board System Specialist, is available to explain how the board operates: "Most of the files will be downloadable in ASCII text format to virtually any home or office computer; on the other hand, graphs and pictorial files will have to be downloaded into applications that read these specific formats." As public usage of this service increases, the electronic bulletin board can be expanded to encompass other kinds of information exchange.❐

Economic Report to the Governor

Utah's 1991 edition of the *Economic Report to the Governor* has just been released by the State Economic Coordinating Commitee. This informative publication describes Utah's economic performance in 1990, points out significant trends, and provides both a long-term and short-term outlook for the State.

Copies cost $10 and are available through Linda Smith, (801) 538-1036, of the Demographic and Economic Analysis Unit of the Utah Office of Planning and Budget at the State Capitol, Room 116.

Comings and Goings

- *Tammy Stewart has been selected as the new State Occupational Information Coordinating Commitee (SOICC) Executive Director. SOICC is an interagency committee mandated by the Job Training Partnership Act and the Carl Perkins Vocational Education Act. SOICC is responsible for the oversight and coordination of labor market and occupational supply and demand information provided for students, counselors, and education and job trainng planners. Tammy joins SOICC from the Mountainland Association of Governments . Her office will be located at the Utah Department of Employment Security, 174 Social Hall Ave, Salt Lake City, Utah.*

- *Larry K. Wardle resigned as the Director of Labor Market Information Services, Utah Department of Employment Security, effective January 31, 1991. Ron M. Ahlstrom will serve as acting director until a replacement is selected for Mr.Wardle.*

Data Definitions

(f)—forecast.

(p)—preliminary.

(r)—revised.

Employed Persons—Civilians who did any work as paid employees, worked more than 15 hours as unpaid workers in a family business, or were temporarily absent from work because of illness, bad weather, vacation, labor-management disputes. Each person is counted only once.

Unemployed Persons—Civilians who had no employment, were available for work, and made specific efforts to find work sometime during the prior four weeks. Persons waiting to be recalled to a job or waiting to report for a new job within 30 days need not be looking for work to be classified as unemployed.

Civilian Labor Force—Employed persons plus unemployed persons. Individuals are counted by place of residence.

Unemployment Rate—Unemployed persons as a percentage of the civilian labor force.

Nonfarm Employment—A count of jobs by place of work for the pay period including the 12th of the month. Excludes proprietors, the self-employed, unpaid/volunteer workers, military personnel, Central Intelligence Agency employees, and employees of the National Security Agency. Includes salaried officers of corporations.

Production and Related Workers—Includes working supervisors and all nonsupervisory workers closely associated with the production process.

Average Weekly Hours—The average hours for which pay was received during the pay period including the 12 of the month. Includes paid holidays, vacations, and sick leave.

Average Weekly Earnings—Includes basically hourly and incentive pay and is reported before deductions. Includes pay for overtime, holidays, vacation, and sick leave.

Initial Claims—Request by an individual following a period of unemployment to determine entitlement to compensation under unemployment insurance laws .

Weeks Claimed—Requests for weekly unemployment insurance benefits filed by claimants.

Insured Unemployment Rate—The ratio of the number of persons of weeks claimed by individuals under the unemployment compensation program to average covered employment.

Utah Labor Market Report

Floyd G. Astin, Administrator

Ron M. Ahlstrom, Acting Director, Labor Market Information Services

Lecia Parks Langston, Chief Economist

The Utah Labor Market Report is published by the Labor Market Information Services Division of the Utah Department of Employment Security, 174 Social Hall Avenue, Salt Lake City, Utah. To order this publication, call (801) 533-2293.

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